IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

TAX APPEAL Nos. 289, 315, 158, 159 AND 160 OF 2000

For Approval and Signature:

HON'BLE MR.JUSTICE D.A.MEHTA Sd/-
and
HON'BLE MS.JUSTICE H.N.DEVANI Sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the concerned Magistrate/Magistrates,Judge/Judges,Tribunal/Tribunals? : NO

DY. C.I.T

Versus

RAJIV S. MARDIA

Appearance:

1. TAX APPEAL No. 289 of 2000

MR MANISH R BHATT for Petitioner No. 1

MR SN SOPARKAR for Respondent No. 1

CORAM : HON'BLE MR.JUSTICE D.A.MEHTA
and
HON'BLE MS.JUSTICE H.N.DEVANI

Date of decision: 21/04/2005

COMMON JUDGEMENT

(Per : HON'BLE MR.JUSTICE D.A.MEHTA)

1 It is common ground between the learned Counsel appearing for the respective parties that the questions, which are identically worded in these Tax Appeals as in Tax Appeal Nos.328 of 2000 and 157 of 2000, are required to be answered in accordance with the answers given in relation to questions raised in Tax Appeal Nos. 328 of 2000 and 157 of 2000.

2 Accordingly for the reasons stated in judgment and order made today in Tax Appeal Nos. 328 of 2000, Tax Appeal Nos. 289 of 2000 and 315 of 2000 which are filed by the revenue are answered in the negative i.e. the Tribunal was not right in holding that the interest income in hands of each of the assessees was required to be taxed only on proportionate basis and further that Commissioner of Income Tax (Appeals) was justified in sustaining addition of the petitioner amount of interest @ Rs.62/per debenture in the accounting year in question.

3 Similarly Tax Appeal Nos. 158 to 160 of 2000 are answered in light of judgment and order rendered today in Tax Appeal No.157 of 2000. The Tribunal was not right in holding that each of the assessees i.e. company was not entitled to deduction of interest paid by it on the debentures issued by it.

4 Accordingly all the Tax Appeals stand disposed of with no order as to costs. Registry to place copy of this judgment in all connected matters.

Sd/-

(D.A.Mehta, J)

Sd/-

(H.N.Devani,J)

m.m.bhatt